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October 26, 2007

The Honorable Benson E. Legg  
United States District Court  
for the District of Maryland  
Chambers 3-D, Garmatz Federal Courthouse  
101 West Lombard Street  
Baltimore, Maryland 21201

**Re:***Manor Care of America, Inc. v.*  
          *Property & Casualty Insurance Guaranty Corporation*  
**Case No.:**    **L-02-4206**

Dear Judge Legg:

As we previously advised the Court in our last Joint Status Report, the parties have been exploring the potential of mediating the case with the hope of resolving the pending litigation. We are pleased to report that the parties have now agreed to have the Honorable Lawrence Rodowsky serve as our mediator for this matter, and we are scheduled to mediate the case on Tuesday, November 13, 2007.

In light of the upcoming mediation, the parties have agreed to concentrate their respective efforts on settlement, as opposed to further motions practice. If the mediation effort fails, however, both parties anticipate filing Cross-Motions for Summary Judgment. In reviewing the existing Scheduling Order, we note that summary judgment motions are currently due on Monday, December 17, 2007. We thus write to jointly request that the Scheduling Order be slightly modified to accommodate the upcoming mediation effort such that the summary judgment deadline be extended until January 17, 2008.

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Should the Court have any questions with regard to this joint request, please do not hesitate to contact us.

Very truly yours,

/s/

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